

Texas Quality Incentive Payment Program

Concept Paper

TEXAS HEALTH AND HUMAN SERVICES COMMISSION

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Texas Quality Incentive Payment Program

INTRODUCTION

This concept paper describes the Quality Incentive Payment Program (QIPP) proposed by Texas. QIPP is designed to incentivize nursing facilities to improve quality and innovation in the provision of nursing facility services, including payment incentives to establish culture change, small house models, staffing enhancements and outcome measures to improve the quality of care for nursing facility residents.

Background

During the 83rd Session, the Texas Legislature outlined its goals for the managed care carve-in of nursing facilities. In implementing the nursing facility carve-in, the Health and Human Services Commission (HHSC) was directed to encourage transformative efforts in the delivery of nursing facility services, including "efforts to promote a resident-centered care culture through facility design and services provided" (S.B. 7, 83rd Texas Legislature, Regular Session).

In 2014 HHSC established the Minimum Payment Amount Program (MPAP). The MPAP, which became effective March 1, 2015, establishes minimum payment amounts for qualified nursing facilities participating in STAR+PLUS. The STAR+PLUS managed care organizations (MCOs) pay the minimum payment amounts to qualified nursing facilities based on state direction. The MPAP was always intended to be a short-term program that would ultimately transition to a performance-based initiative.

The goal of transition was reinforced during the 84th Legislative Session. The General Appropriations Act for the 2016-2017 Biennium contains HHSC Budget Rider 97, which directs HHSC to transition the MPAP to the Quality Incentive Payment Program (QIPP):

"It is the intent of the Legislature that not later than September 1, 2016, the Commission shall fully transition the Nursing Facility Minimum Payment Amounts Program (MPAP) program from a program solely based on enhanced payment rates to publically owned nursing facilities to a Quality Incentive Payment Program (QIPP) for all nursing facilities that have a source of public funding for the non-federal share, whether those facilities are publically- or privately-owned. No state General Revenue is to be expended under the QIPP. The additional payments to nursing facilities through the QIPP should be based upon improvements in quality and innovation in the provision of nursing facility services, including but not limited to payment incentives to establish culture change, small house models, staffing enhancements and outcome measures to improve the quality of care and life for nursing facility residents."

MPAP Transition Period

In order to meet the intent of Rider 97 while also allowing a transition period for existing MPAP participants to make the shift to the new program, a two year phase-in of QIPP is proposed. Under the first year of the phase-in, current MPAP participants will be allowed to continue receiving MPAP payments at approximately 50% of their current MPAP payment level. Any additional funding for these facilities during the first year will have to be tied to projects under QIPP. Additional

Texas Quality Incentive Payment Program

information on MPAP may be found on the HHSC website at <http://www.hhsc.state.tx.us/rad/Long-term-svcs/nursing-facility/mpa.shtml>. Facilities not currently enrolled in MPAP will enter directly into QIPP. Under the second year of the phase-in, MPAP-related payments will be eliminated and all funding will have to be tied to projects under QIPP.

QIPP Program Philosophy

The Texas Department of Aging and Disability Services describes culture change as including the following concepts¹:

- creation of an environment of home and community within nursing facilities;
- a vision of leadership committed to cultivating living environments that nurture, inspire and create a home-like setting and ambiance for the people who live there;
- a paradigm of person-centered and person-directed care practices;
- emphasis on the dignity and worth of an individual's preferences related to routine tasks (e.g., bathing times, fixed bed-time hours, flexible dining choices);
- consideration of the voices of people with disabilities regardless of age, medical condition or limitations; and
- the empowerment and support of direct care workers.

Texas defines a small house as one designed and equipped to provide a homelike environment that promotes resident-centered care.² To implement the QIPP as directed, HHSC has developed a program that will provide the financial resources necessary to make infrastructure changes within the participating nursing facility to move them in the direction of improved quality, culture change or the small house model.

QIPP Program Objectives

The goal of the QIPP is to establish incentive payments to nursing facilities based on quality and innovation improvements, including promoting:

- culture change;
- small house models;
- staffing enhancements; and
- improved quality of care and life for nursing facility residents.

QIPP Minimum Nursing Facility Participation Requirements

¹ <http://www.dads.state.tx.us/culturechange/library/whatis.html>

² 40 TAC §19.345.

Texas Quality Incentive Payment Program

In order to be eligible to participate in the QIPP, a nursing facility must:

1. Be licensed as a nursing facility in Texas and be contracted with the state of Texas and a Texas Medicaid managed care organization to provide Medicaid nursing facility services.
2. Have submitted, and be eligible to receive payment for, a Medicaid managed care nursing facility claim for payment during the program year (i.e., state fiscal year).
3. Be situated such that a non-state governmental entity holds the facility's license and is party to the facility's Medicaid provider agreement or have a bona fide funding source for the non-federal share (IGT). In both situations, unless there is an established patient flow between the entity providing the IGT and the facility for which the entity is providing the IGT, the IGT entity must be located within the county in which the NF is physically located, or an adjoining county.³
4. Have a signed certification of participation submitted by both the nursing facility and the IGT partner (private nursing facilities) and a signed IGT Responsibility Agreement (all nursing facilities).
5. For MPAP participants wishing to receive additional funds above their MPAP transition payments, have submitted a proposal meeting the requirements of the QIPP concept paper by February 1, 2016.
6. For new participants, have submitted a proposal meeting the requirements of the QIPP concept paper by March 1, 2016.
7. Not be a "special focus" facility as determined by the Centers for Medicare & Medicaid Services (CMS) as of the proposal submission date.
8. Not have a proposed license revocation pending under Section 242.061(a-2) of the Texas Health & Safety Code (the 3-Strike Rule).
9. Have a Medicaid-contracted bed occupancy rate (as defined in 40 TAC § 19.2322[a][9]) of 50 percent or higher; or have a Medicaid-contracted bed occupancy rate that is no more than 15 percentage points lower than the average contracted occupancy rate for the county in which the facility is located. HHSC will evaluate requests for exceptions to this criterion on a case-by-case basis.

Facilities will be evaluated for eligibility annually as part of the approval process for a QIPP proposal. Facilities that meet the eligibility criteria are admitted to the program and are eligible to participate through the end of the program year.

QIPP Funding Overview

³ Distance requirement shall not apply to facilities participating in the MPAP program and not meeting this requirement.

Texas Quality Incentive Payment Program

The non-federal share of all QIPP payments is funded through IGTs of public funds from governmental entities. A governmental entity is any state agency or a political subdivision of the state. Public funds are defined as funds derived from taxes, assessments, levies, investments, and other public revenues within the sole and unrestricted control of a governmental entity. Public funds do not include gifts, grants, trusts, or donations, the use of which is conditioned on supplying a benefit solely to the donor or grantor of the funds.

QIPP PROPOSAL DEVELOPMENT

Overview

HHSC will implement QIPP in a manner that provides each nursing facility the latitude to develop unique interventions aimed at achieving specific program-wide common goals. Through this model, HHSC identifies the aspects of nursing facility care these interventions will address, while still allowing the flexibility to create interventions based on the unique characteristics of each nursing facility's population and infrastructure. There are two tracks a potential program participant may choose to pursue: choosing a project from a pre-defined "menu" of projects developed by HHSC with input from stakeholders, or creating its own unique project. Implementation of a project does not supplant any licensure or other regulatory requirements.

Project Negotiations and Letters of Agreement (LOA)

A nursing facility will negotiate a QIPP project with a Medicaid MCO with which it contracts to provide nursing facility care. Details of the project, metrics, valuation, and payment schedules are laid out in a letter of agreement (LOA) between the nursing facility and the MCO. All LOAs are between one nursing facility and one MCO. A nursing facility can contract with one MCO for a project based on the benefit of the project to all Medicaid residents of the facility. If a nursing facility is contracted with more than one MCO, it may negotiate separate LOAs with each MCO but these LOAs must be for distinct projects.

The schedule of reporting of metrics to the MCO and payments to the nursing facility for achieving metrics is negotiated between the nursing facility and the MCO and incorporated into the LOA. HHSC will not approve an LOA that allows for payment prior to the achievement of a metric. Because a metric must be achieved prior to a payment being made, the earliest the first payment could be made to a nursing facility would be the end of September 2016. Given this, the time gap between when an IGT is made and when a nursing facility can receive a payment from an MCO that is funded by that IGT will likely be equal to close to two months (e.g., IGT is transferred on August 10, 2016, achievement of associated metric is reported to MCO on September 30, 2016, payment associated with metric is made from MCO to nursing facility on October 1, 2016).

If a nursing facility fails to achieve a metric, it cannot receive payment for that metric for that payment period, and the per member per month (PMPM) capitation payment funds associated with that metric are recouped from the MCO by HHSC with the non-federal share returned to the IGT-entity and the federal share returned to the federal government. HHSC may consider allowing unearned payments to accrue and be paid in future payment periods as associated metrics are met on a case by case basis. However, no funds will be carried over from year to year.

Texas Quality Incentive Payment Program

Nursing Facility-designed Project

While the nursing facility will be responsible for directly negotiating specific terms of the QIPP project with a Medicaid MCO, HHSC will establish general requirements and objectives. The participating nursing facility will be responsible for developing a project that furthers the state's objectives and complies with the general QIPP requirements set out by HHSC. Each MCO and nursing facility must negotiate the amounts to be paid to the nursing facility when goals are achieved, and the frequency of those payments (such as a quarterly lump sum payment or other arrangement).

Pre-determined Projects

Qualifying facilities will have the option of participating in one or more of the following categories of QIPP projects:

- Category One: Quality of Care
- Category Two: Staffing Enhancements
- Category Three: Small House Model
- Category Four: Culture Change and Quality of Life

The specific project suggestions are outlined in attachment one.

Project Proposal

Before implementation of the QIPP project, the nursing facility must submit a proposal, including a copy of the LOA with an MCO, to HHSC detailing the transformative project(s) in which it intends to engage. The proposal must include:

- **Project Overview.** An overview of the proposed incentive project, including a description of the work the nursing facility intends to complete; and the goals and objectives of the project.
- **Project Costs and Values.** The itemized predicted amount of dollars needed for the project and a proposed valuation for the project (including costs that support the project's targeted outcomes that are not currently being reimbursed under the Medicaid program). The nursing facility will work with its MCO(s) to determine the value of the project.
- **Participation in Other Programs.** Documentation demonstrating the goals and objectives of the project do not duplicate or overlap with any projects the NF participates in for which the NF receives federal funds. This includes Category 1 or 2 Delivery System Reform Incentive Payment (DSRIP) programs administered through the 1115 Waiver. Operating entities will certify in the LOA the proposed project does not duplicate or overlap with these projects or metrics.
- **Payment Terms.** The frequency of payments to the nursing facility, if performance metrics are met, and the process that will be used by the MCO to recoup payments in the event of: a

Texas Quality Incentive Payment Program

disallowance by CMS; a payment made in error; payments used to pay a contingent, consulting, or legal fee; and payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.

- **Performance Metrics.** A description of the relevant measureable goals and performance metrics for determining success in meeting those goals, including quarterly, biannual, and annual status updates as described below.

HHSC will review the proposals to ensure proposed projects meet the State's objectives and that the valuation is reasonable. If HHSC does not approve a proposal, it will notify the provider of the reason that the proposal was not approved. The provider will have the opportunity to revise the proposal to address any concerns raised by HHSC. If performance objectives are not met by the nursing facility, HHSC may recoup the associated portion of the capitation rate through contractual claw-back provisions.

Proposal Review Process

HHSC will review the proposals to ensure that they meet the state's objectives, and must accept a proposal prior to its implementation by a nursing facility. The factors considered by HHSC will be:

- How the proposal relates to the philosophy of culture change or the small house model;
- How the nursing facility proposes to measure progress towards and final achievement of the goal of its proposal, including the appropriateness of the measures selected;
- How reasonable the forecasted costs appear. Potential pricing factors include:
 - Entity size
 - Complexity of the project
 - Size and scope of the project
 - Size of target population
 - Investment and resources needed; and
- The relationship of the proposed valuation to forecast costs and expected improvements.

An ad hoc HHSC team reviews all LOAs for acceptability. Summaries of all approved projects are shared with CMS as a courtesy. While nursing facilities may hire consultants to help them identify how they might implement culture change or small house characteristics, no QIPP funds may be used for consultant costs.

Texas Quality Incentive Payment Program

Measurement Periods

Due to the federal requirement that CMS approve all PMPM calculations, the guaranteed life span of a project cannot be longer than the period to which the PMPM calculation applies. Typically, this period is equal to the state fiscal year. Projects for later years may build upon achievements of projects from prior years but HHSC cannot guarantee CMS will approve future PMPM calculations associated with multi-year projects.

Provider Payments

The facility's project valuation will be based on the benefit of the project to all residents of the facility. However, the facility's QIPP payments will be tied to the percent of the facility's total residents that are Medicaid beneficiaries at the time of project proposal submission, including dually certified residents where Medicaid is the primary payer.

HHSC will amend its contract with the MCO to indicate the dollar addition to the PMPM payment associated with the QIPP project; the amendment will also detail the MCO's quarterly reporting requirements to HHSC and supplemental reporting requirements for the MCO's Financial Statistical Report (FSR).

HHSC Actuarial Analysis will calculate the dollar addition to the MCO's PMPM payment from HHSC (the PMPM "bump") associated with the QIPP project. This calculation is based on the value of the project plus 1.5% of the value to cover the MCO's administrative costs associated with the project and an additional percentage of the value to cover the premium tax(es) associated with the "bump". CMS must approve all PMPM calculations. Total dollars available for QIPP payments for a specific project will vary with the MCO's member months since the dollar addition to the capitation rate for the project is calculated on a per member per month basis. QIPP payments are lump sum payments, and are not tied to particular claims or recipients.

For each service area in which a nursing facility participates in a QIPP initiative, HHSC's managed care contract with the participating MCO will require the MCO to allocate a fixed percentage of its capitation rate to the nursing facility's QIPP initiatives (the "QIPP Rate Component"). The MCO will be required to make agreed upon payments to the nursing facility for achieving program objectives. The MCO must report all payments made for QIPP as a separate line item on the FSR(s) the MCO submits to HHSC. To account for the difficulty in attributing the funds to a particular service component of the rates, HHSC will also identify QIPP funds as a separate line-item on the rate-setting documentation it submits for CMS approval.

Intergovernmental Transfer Process

A nursing facility must secure allowable intergovernmental transfer funds (IGT) from a governmental entity to fund the non-federal share of the PMPM bump associated with the nursing facility's QIPP project. The nursing facility's controlling entity shoulders the full risk for the allowability of the IGT. If CMS determines that an IGT is a non-bona fide donation or the product of an unallowable public-private arrangement and disallows associated funds from HHSC, a similar amount of funds will be recouped from the nursing facility by the MCO and from the MCO by HHSC.

Texas Quality Incentive Payment Program

The governmental entity providing IGT for a nursing facility (IGT entity) must sign an IGT Responsibility Agreement which provides terms and conditions for the IGT entity to transfer non-federal public funds to HHSC to support the non-federal share of the PMPM bump associated with the project.

The IGTs will be made on a schedule that minimizes the time between the IGT and the receipt of payments.

The IGT entity agrees to provide HHSC the non-federal percentage of the QIPP Rate Component for all service areas in which the nursing facility participates in the QIPP initiative. The non-federal percentage of the QIPP Rate Component equals one-hundred percent minus the applicable Federal Medical Assistance Percentage for Medicaid for Texas in effect when HHSC incurs the expense. HHSC will calculate the non-federal share amount to be transferred by an IGT entity in order to draw the federal funding for the QIPP payments. Within 14 days after notification by HHSC of the identified nonfederal share amount, the IGT entity will make an intergovernmental transfer of funds. If the IGT is made within the appropriate 14-day timeframe, the QIPP payment will be disbursed within 30 days. The total computable QIPP payment must remain with the QIPP LOA participant.

Claiming Federal Financial Participation

Texas will claim federal financial participation (FFP) for QIPP payments. FFP will be available only for QIPP payments made in accordance with all pertinent requirements detailed in this document and its attachments. All QIPP plans and payments are subject to potential audits. The nursing facility shall have available for review by HHSC and CMS, upon request, all supporting data and back-up documentation evidencing performance as described under the QIPP for QIPP payments. Failure of the nursing facility to maintain adequate documentation or inaccurate reporting of data may result in recoupment of QIPP payments.

HHSC Monitoring of MCO Administration of QIPP

MCOs will be required to submit quarterly reports to HHSC listing the performance metrics for each project for the quarterly reporting period and the nursing facility's performance results. In addition, the report must include a description of the methodology the MCO used to monitor and verify QIPP program performance and the type of information reviewed to determine if QIPP objectives are met for the reporting period.

CONCLUSION

The State believes the only true measure of transformation is found in the actual, verified improvement of care and quality of life. QIPP is intended to serve as a resource for nursing facilities to leverage in order to achieve nursing facility transformation. The program is structured to allow each participating nursing facility to design its own program to meet the specific needs of its population.

Texas Quality Incentive Payment Program

Attachment One- Optional Project Menu

The projects identified in this section may be considered by a nursing facility, but are not required. Nursing facilities may propose unique, self-created projects. Nursing facilities may also use these pre-determined projects as a starting place, and revise them to meet the specific needs of their facility. Those projects will be considered original projects for purposes of the proposal review.

Category One: Quality of Care

Project Name:	CMS Five-Star Rating- Quality Component												
Project Overview	<p>This project measures improvement as it is demonstrated through nursing facility performance related to the CMS 5-Star nursing facility rating system. The measure specifications outlined in the <i>Design for Nursing Home Compare Five-Star Quality Rating System: Technical Users' Guide</i> apply to the calculation of the measures included in the quality composite component of the 5-star rating. Additionally, nursing facilities will report performance on two vaccination measures.</p> <p><u>Nursing Facilities with 1-3 stars</u> Nursing facilities that currently have between 1 and 3 stars for the quality composite component of the 5-star rating must improve by 10% in their overall performance. For example, a nursing facility that earned 545 points in 2014 will need to earn 600 points in 2015. This equates to a nursing facility improving enough on approximately 3 measures (out of 11) to move from one quintile to the next.</p> <p><u>Nursing Facilities with 4-5 stars</u> Nursing facilities with four or five stars for the quality composite component of the 5-star rating must maintain their star ranking in order to receive QIPP dollars.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>QM Rating</th><th>Point Range (as of 2/2015)</th></tr> </thead> <tbody> <tr> <td>★</td><td>225 – 544</td></tr> <tr> <td>★ ★</td><td>545 – 629</td></tr> <tr> <td>★ ★ ★</td><td>630 – 689</td></tr> <tr> <td>★ ★ ★ ★</td><td>690 – 759</td></tr> <tr> <td>★ ★ ★ ★ ★</td><td>760 – 1,100</td></tr> </tbody> </table>	QM Rating	Point Range (as of 2/2015)	★	225 – 544	★ ★	545 – 629	★ ★ ★	630 – 689	★ ★ ★ ★	690 – 759	★ ★ ★ ★ ★	760 – 1,100
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What should be included in the proposal	<ul style="list-style-type: none"> • The nursing facility's past year performance. • The nursing facility's goals for the coming year based on the prescribed project parameters. • The specific work to be completed and how it relates to the identified goals. • The itemized predicted amount of dollars needed for the project and a proposed valuation for the project. • The justification of the proposed valuation given the following: <ul style="list-style-type: none"> ○ Entity size; ○ Complexity of the project; ○ Size and scope of the project; 												

Texas Quality Incentive Payment Program

	<ul style="list-style-type: none"> ○ Size of target population; and ○ Investment and resources needed.
Metrics	<p>Use the milestone relevant to the nursing facility's star rating.</p> <ol style="list-style-type: none"> 1. Milestone: nursing facility will improve performance by 10% <ol style="list-style-type: none"> a. Metric: Previous year number of points earned. b. Metric: Measurement year number of points earned. 2. Milestone: nursing facility will maintain its 5-Star ranking. <ol style="list-style-type: none"> a. Metric: Previous year ranking. b. Metric: Measurement year ranking.

Category Two: Staffing Enhancements

Project Name:	Staff Training
Project Overview	<p>This project provides a mechanism by which nursing facilities can increase the skill sets of staff at all levels of credentialing or licensure. The following activities might be funded through this project:</p> <ol style="list-style-type: none"> 1. Paying for trainings that have a cost. 2. Providing paid time for staff to attend training. 3. Maintaining appropriate staffing levels at the facility while other staff are participating in trainings. 4. Development of a recognition program to reward staff who complete training that will enrich their job performance, thereby enriching the nursing facility environment. 5. Developing a career ladder for non-licensed staff. 6. Attainment of a specific certification or developing a specialized set of services within the nursing facility. <p>Training subjects must be relevant to the population of the nursing facility, and this relevance must be outlined in the proposal.</p>
What should be included in the proposal	<ul style="list-style-type: none"> • The nursing facility's specific characteristics that make this project an appropriate selection. • The nursing facility's goals for the coming year based on the prescribed project parameters. • The specific work to be completed and how it relates to the identified goals. • The itemized predicted amount of dollars needed for the project and a proposed valuation for the project. • The justification of the proposed valuation given the following: <ul style="list-style-type: none"> ○ Entity size; ○ Complexity of the project; ○ Size and scope of the project; ○ Size of target population; and ○ Investment and resources needed.
Implementation Measures	<ol style="list-style-type: none"> 1. Milestone: Establish baseline data regarding staff turnover rates. (10%) <ol style="list-style-type: none"> a) Metric: Rate of staff turnover broken out by position type 2. Milestone: Facilitate opportunities for professional staff to obtain training. (10%)

Texas Quality Incentive Payment Program

	<p>a) Metric: Provide proof of staff attendance at trainings.</p> <p>3. Milestone: Facilitate opportunities for non-professional staff to obtain training. (10%)</p> <p>a) Metric: Provide proof of staff attendance at trainings.</p> <p>4. Milestone: Increase knowledge and skills in professional staff. (20%)</p> <p>a) Metric: Provide documentation of subjects in which staff have received training.</p> <p>b) Metric: Number of staff, by position, participating in each training.</p>
Outcome measures	<p>1. Milestone: Improve staff longevity by 15%. (25%)</p> <p>a) Metric: Staff turnover rate by position type compared to pre-implementation</p> <p>2. Nursing facility-specific milestone. This might include the creation of a specialized unit or a certification the nursing facility has received. (25%)</p> <p>Metric: Self-designed metric</p>

Project Name:	Achieving a level of direct care staffing, as measured by the Direct-Care Staff Rate Enhancement program, that exceeds the level of staffing for which the facility is paid under the program
Project Overview	This project requires the nursing facility to comply with the rate enhancement program level that is at least five levels above that in which the nursing facility is enrolled. Payments will be equal to the difference between nursing facility's existing rate enhancement payments and the level at which the nursing facility is performing.
What should be included in the proposal	<ul style="list-style-type: none"> • The nursing facility's specific characteristics that make this project an appropriate selection. • The nursing facility's goals for the coming year based on the prescribed project parameters. • How this project relates to the identified goals. • The itemized predicted amount of dollars needed for the project and a proposed valuation for the project. • The justification of the proposed valuation given the following: <ul style="list-style-type: none"> ○ Entity size; ○ Complexity of the project; ○ Size and scope of the project; ○ Size of target population; and ○ Investment and resources needed.
Implementation Metrics	<p>1. Milestone: Achievement of staffing levels. (30%)</p> <p>a) Nursing facility meets the rate enhancement staffing and spending requirements associated with the higher level of enrollment.</p> <p>2. Milestone: Establish baseline data regarding staff turnover rates (10%).</p> <p>a) Metric: Rate of staff turnover broken out by position type.</p> <p>3. Milestone: Establish baseline data regarding avoidable care. (10%)</p> <p>a) Metric: Rate of emergency department visits in year prior to implementation.</p> <p>b) Metric: Rate of hospital admissions in year prior to implementation.</p>
Outcome Metrics	<p>1. Milestone: Reduce provision of avoidable care through increased staff observation capability. (30%)</p>

Texas Quality Incentive Payment Program

	<ul style="list-style-type: none"> a) Reduction in rate of emergency department visits by 10% b) Reduction in rate of hospital admissions by 10% c) Reduction in rate of high risk residents with pressure ulcers by 10% d) Reduction in rate of residents with a urinary tract infection by 10%
	<ul style="list-style-type: none"> 2. Milestone: Improve staff longevity by 15%. (20%) <ul style="list-style-type: none"> a) Metric: Staff turnover rate by position type compared to pre-implementation

Project Name:	Recruit and retain a nurse practitioner or other mid-level practitioner
Project Overview	The goal of this project is to improve quality of care by increasing the opportunity for on-site consultation with an advanced practice professional.
What should be included in the proposal	<ul style="list-style-type: none"> • The nursing facility's specific characteristics that make this project an appropriate selection. • The nursing facility's goals for the coming year based on the prescribed project parameters. • How this project relates to the identified goals. • The itemized predicted amount of dollars needed for the project and a proposed valuation for the project. • The justification of the proposed valuation given the following: <ul style="list-style-type: none"> ○ Entity size; ○ Complexity of the project; ○ Size and scope of the project; ○ Size of target population; and ○ Investment and resources needed.
Implementation Metrics	<ul style="list-style-type: none"> 1. Milestone: Hire a nurse practitioner or equivalent. (30%) <ul style="list-style-type: none"> a) Metric: Provide documentation of hire. 2. Milestone: Establish baseline data regarding avoidable care. (20%) <ul style="list-style-type: none"> a) Metric: Rate of emergency department visits in year prior to implementation. b) Metric: Rate of hospital admissions in year prior to implementation. c) Metric: Percent of high risk residents with pressure ulcers in year prior to implementation d) Metric: Percent of residents with a urinary tract infection in year prior to implementation
Outcome Metrics	<ul style="list-style-type: none"> 1. Milestone: Reduce provision of avoidable care through availability of on-site clinical expertise. (50%) <ul style="list-style-type: none"> a) Reduction in rate of emergency department visits by 10% b) Reduction in rate of hospital admissions by 10% c) Reduction in rate of high risk residents with pressure ulcers by 10% d) Reduction in rate of residents with a urinary tract infection by 10%

Project Name:	On-site 24-hour RN coverage
Project Overview	The goal of this project is to improve quality of care by ensuring the constant presence of professional staff who can observe residents directly, improving triage capability, thus reducing avoidable hospitalizations and emergency department visits.
What should be	<ul style="list-style-type: none"> • The nursing facility's specific characteristics that make this project an

Texas Quality Incentive Payment Program

included in the proposal	<p>appropriate selection.</p> <ul style="list-style-type: none"> • The nursing facility's goals for the coming year based on the prescribed project parameters. • How this project relates to the identified goals. • The itemized predicted amount of dollars needed for the project and a proposed valuation for the project. • The justification of the proposed valuation given the following: <ul style="list-style-type: none"> ○ Entity size; ○ Complexity of the project; ○ Size and scope of the project; ○ Size of target population; and ○ Investment and resources needed.
Implementation Metrics	<ol style="list-style-type: none"> 1. Milestone: Provide on-site 24-hour RN coverage. (30%) <ol style="list-style-type: none"> a) Metric: Provide documentation of hire (if applicable) b) Metric: Provide documentation of scheduling c) Provide monthly evidence of continued employment. 2. Milestone: Establish baseline data regarding avoidable care. (20%) <ol style="list-style-type: none"> a) Metric: Rate of emergency department visits in year prior to implementation. b) Metric: Rate of hospital admissions in year prior to implementation. c) Metric: Percent of high risk residents with pressure ulcers in year prior to implementation d) Metric: Percent of residents with a urinary tract infection in year prior to implementation
Outcome Metrics	<ol style="list-style-type: none"> 1. Milestone: Reduce provision of avoidable care through increased staff observation capability. (50%) <ol style="list-style-type: none"> a) Reduction in rate of emergency department visits by 10% b) Reduction in rate of hospital admissions by 10% c) Reduction in rate of high risk residents with pressure ulcers by 10% d) Reduction in rate of residents with a urinary tract infection by 10%

Category Three: Small House Model

Project Name:	Small House Special Rate
Project Overview	Current and new small house operators (as defined by TAC) who meet the qualifying criteria may receive QIPP payments tied to the Medicaid days of service provided in the small house model. Small House participants may also implement other QIPP projects. In addition, the facility may earn QIPP funds based on achievement of the metrics described below.
What should be included in the proposal	<ul style="list-style-type: none"> • The nursing facility's specific characteristics that make this project an appropriate selection. • The itemized predicted amount of dollars needed for the project and a proposed valuation for the project. • The justification of the proposed valuation given the following: <ul style="list-style-type: none"> ○ Entity size; ○ Complexity of the project; ○ Size and scope of the project; ○ Size of target population; and

Texas Quality Incentive Payment Program

	<ul style="list-style-type: none"> ○ Investment and resources needed.
Implementation Metrics	<ol style="list-style-type: none"> 1. Milestone: Complete the Best Practice System Summary/Technical Assistance Sheet for Fall Risk Management to identify potential areas for improvement (30%). <ol style="list-style-type: none"> a) Metric: Submit completed documentation. 2. Milestone: Identify baseline using MDS data (25%). <ol style="list-style-type: none"> a) Metric: Rate of residents with fall history as reported in responses to the following MDS 3.0 items: <ol style="list-style-type: none"> i. Did the resident have a fall any time in the last month prior to admission/entry or reentry? ii. Did the resident have a fall any time in the last 2-6 months prior to admission/entry or reentry? iii. Did the resident have any fracture related to a fall in the 6 months prior to admission/entry or reentry? iv. Has the resident had any falls since admission/entry or reentry or the prior assessment (OBRA or scheduled PPS), whichever is more recent? b) Metric: Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay) c) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay)
Outcome Metrics	<ol style="list-style-type: none"> 1. Milestone: Complete the Best Practice System Summary/Technical Assistance Sheet for Fall Risk Management to confirm all recommendations are met. (20%) <ol style="list-style-type: none"> a) Metric: Submit completed documentation. 2. Milestone: Maintain or improve in the following metrics compared with pre-implementation: (30%) <ol style="list-style-type: none"> a) Metric: Rate of residents with fall history as reported in responses to the following MDS 3.0 items: <ol style="list-style-type: none"> i. Did the resident have a fall any time in the last month prior to admission/entry or reentry? ii. Did the resident have a fall any time in the last 2-6 months prior to admission/entry or reentry? iii. Did the resident have any fracture related to a fall in the 6 months prior to admission/entry or reentry? iv. Has the resident had any falls since admission/entry or reentry or the prior assessment (OBRA or scheduled PPS), whichever is more recent? b) Metric: Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay) c) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay)

Texas Quality Incentive Payment Program

Category Four: Culture Change and Quality of Life

Project Name:	Incorporate certain aspects of Small House model into existing nursing facilities ⁴
Project Overview	<p>This project provides a way for a nursing facility without an actual Small House to adopt certain Small House methods. The following activities might be funded through this project:</p> <ol style="list-style-type: none"> 1. Promote residents' personal expression through supporting them in decorating and arranging their personal space. 2. Creation of small neighborhood pods. 3. Development of outdoor or indoor communal spaces.
What should be included in the proposal	<ul style="list-style-type: none"> • The nursing facility's specific characteristics that make this project an appropriate selection. • The nursing facility's goals for the coming year based on the prescribed project parameters. • The specific work to be completed and how it relates to the identified goals. • The itemized predicted amount of dollars needed for the project and a proposed valuation for the project. • The justification of the proposed valuation given the following: <ul style="list-style-type: none"> ○ Entity size; ○ Complexity of the project; ○ Size and scope of the project; ○ Size of target population; and ○ Investment and resources needed.
Implementation Metrics	<ol style="list-style-type: none"> 1. Milestone: complete the activities described in the proposal. (5%) <ol style="list-style-type: none"> a) Metric: Provide pictorial evidence of the changes. 2. Milestone: Complete the Best Practice System Summary/Technical Assistance Sheet for Fall Risk Management to confirm all recommendations are met. (30%) <ol style="list-style-type: none"> a) Metric: Submit completed documentation. 3. Milestone: Identify baseline using MDS data: (15%) <ol style="list-style-type: none"> a) Metric: Rate of residents with fall history as reported in responses to the following MDS 3.0 items: <ol style="list-style-type: none"> i. Did the resident have a fall any time in the last month prior to admission/entry or reentry? ii. Did the resident have a fall any time in the last 2-6 months prior to admission/entry or reentry? iii. Did the resident have any fracture related to a fall in the 6 months prior to admission/entry or reentry? iv. Has the resident had any falls since admission/entry or reentry or the prior assessment (OBRA or scheduled PPS), whichever is more recent? b) Metric: Percent of Residents Experiencing One or More Falls with Major

⁴ No QIPP funds may be used for physical construction projects.

Texas Quality Incentive Payment Program

	<p>Injury (Long Stay)</p> <p>c) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay)</p>
Outcome Metrics	<ol style="list-style-type: none"> 1. Milestone: Complete the Best Practice System Summary/Technical Assistance Sheet for Fall Risk Management to confirm all recommendations are met. (20%) <ol style="list-style-type: none"> a) Metric: Submit completed documentation. 2. Milestone: Maintain or improve in the following metrics compared with pre-implementation: <ol style="list-style-type: none"> a) Metric: Rate of residents with fall history as reported in responses to the following MDS 3.0 items: (20%) <ol style="list-style-type: none"> i. Did the resident have a fall any time in the last month prior to admission/entry or reentry? ii. Did the resident have a fall any time in the last 2-6 months prior to admission/entry or reentry? iii. Did the resident have any fracture related to a fall in the 6 months prior to admission/entry or reentry? iv. Has the resident had any falls since admission/entry or reentry or the prior assessment (OBRA or scheduled PPS), whichever is more recent? b) Metric: Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay) c) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay)

Project Name:	Person-centered care
Project Overview	<p>This project emphasizes the dignity and worth of an individual's preferences related to routine tasks (e.g., bathing times, fixed bed-time hours, flexible dining choices). The following activities might be funded through this project:</p> <ol style="list-style-type: none"> 1. Ensure person-centered planning processes are developed and followed, including the following: <ol style="list-style-type: none"> a. Institute policy that no changes are made to a resident's service plan or daily routine without meeting with the resident and discussing the need for the change, obtaining the residents input and incorporating that feedback to the greatest extent possible. b. Create a planning tool to be completed at each annual service plan update that includes, but is not limited to, items related to: unmet goals or needs, dietary preferences, leisure activity preferences, scheduling preferences. c. At each annual service plan update, review each aspect of the resident's physical and mental health to identify concerns or changes the resident would like to explore further. d. As appropriate, broach topic of end-of-life planning to ensure the residents desires are communicated to team and documented.

Texas Quality Incentive Payment Program

	<p>e. Policy regarding room assignment must prohibit relocating individuals without first holding a meeting of the service planning team that includes the resident and, if appropriate, their family.</p> <p>2. Promote community engagement with the least restrictions possible, including developing the necessary infrastructure to promote opportunities for residents to engage in off-site activities on a one-to-one or small group basis.</p>
What should be included in the proposal	<ul style="list-style-type: none"> • The nursing facility's specific characteristics that make this project an appropriate selection. • The nursing facility's goals for the coming year based on the prescribed project parameters. • The specific work to be completed and how it relates to the identified goals. • The itemized predicted amount of dollars needed for the project and a proposed valuation for the project. • The justification of the proposed valuation given the following: <ul style="list-style-type: none"> ○ Entity size; ○ Complexity of the project; ○ Size and scope of the project; ○ Size of target population; and ○ Investment and resources needed.
Implementation Metrics	<ol style="list-style-type: none"> 1. Milestone: Develop policy regarding room assignment that meets the criteria outlined in the core components (5%). <ol style="list-style-type: none"> a) Metric: Submit policy for review. 2. Milestone: Create policy regarding resident participation in service planning process that includes the incorporation of information obtained through Section F of the MDS 3.0 (10%). <ol style="list-style-type: none"> a) Metric: Submit policy for review. 3. Milestone: Create service-planning tool (10%). <ol style="list-style-type: none"> a) Metric: Submit service-planning tool. 4. Milestone: Develop infrastructure for increased community engagement (10%). <ol style="list-style-type: none"> a) Metric: Submit components of infrastructure for review. 5. Milestone: Identify baseline using MDS data: (15%) <ol style="list-style-type: none"> a) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay) b) Metric: Of the residents indicating in responses to Section Q of the MDS 3.0 that they would like to speak with someone regarding relocating from the facility to the community, the rate who were provided the opportunity to do so.
Outcome Metrics	<ol style="list-style-type: none"> 1. Milestone: Implement policy involving residents in the development of their service plan to ensure a person-centered process is followed. (15%) <ol style="list-style-type: none"> a) Metric: Submit de-identified service planning meeting documents evidencing the developed tools and policies were followed. 2. Demonstrate improvement of at least 10% from pre-implementation: (20%)

Texas Quality Incentive Payment Program

	<ol style="list-style-type: none"> a) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay) b) Metric: Of the residents indicating in responses to Section Q of the MDS 3.0 that they would like to speak with someone regarding relocating from the facility to the community, the rate who were provided the opportunity to do so. <ol style="list-style-type: none"> 3. Milestone: Implement plan for improved community engagement. (15%) <ol style="list-style-type: none"> a) Metric: Number of off-site activities in which at least one resident has participated each quarter.
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Project Name:	Empowerment and support of direct care workers
Project Overview	Create a peer-mentoring program through which experienced and tenured staff who have demonstrated quality work are matched with new staff to help promote continuity of care at the resident level.
What should be included in the proposal	<ul style="list-style-type: none"> • The nursing facility's specific characteristics that make this project an appropriate selection. • The nursing facility's goals for the coming year based on the prescribed project parameters. • The specific work to be completed and how it relates to the identified goals. • The itemized predicted amount of dollars needed for the project and a proposed valuation for the project. • The justification of the proposed valuation given the following: <ul style="list-style-type: none"> ○ Entity size; ○ Complexity of the project; ○ Size and scope of the project; ○ Size of target population; and ○ Investment and resources needed.
Implementation Metrics	<ol style="list-style-type: none"> 1. Milestones: Create a peer-mentoring program (20%). <ol style="list-style-type: none"> a) Metric: Submit description of program. 2. Milestone: Establish baseline data regarding staff turnover rates (20%). <ol style="list-style-type: none"> a) Metric: Rate of staff turnover broken out by position type. 3. Milestone: Establish baseline data regarding avoidable care. (20%) <ol style="list-style-type: none"> a) Metric: Rate of emergency department visits in year prior to implementation. b) Metric: Rate of hospital admissions in year prior to implementation. c) Metric: Percent of high risk residents with pressure ulcers in year prior to implementation d) Metric: Percent of residents with a urinary tract infection in year prior to implementation
Outcome Metrics	<ol style="list-style-type: none"> 1. Milestone: Reduce provision of avoidable care through increased staff observation capability. (50%) <ol style="list-style-type: none"> a) Reduction in rate of emergency department visits by 10% b) Reduction in rate of hospital admissions by 10% c) Reduction in rate of high risk residents with pressure ulcers by 10% d) Reduction in rate of residents with a urinary tract infection by 10% 2. Milestone: Improve staff longevity by 15%.

Texas Quality Incentive Payment Program

	a) Metric: Staff turnover rate by position type compared to pre-implementation
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